

State of Alaska FY2010 Governor's Operating Budget

Department of Fish and Game

Department of Fish and Game

Mission

To protect, maintain, and improve the fish, game, and aquatic plant resources of the state, and manage their use and development in the best interest of the economy and the well-being of the people of the state, consistent with the sustained yield principle.

Core Services

- Provide opportunities to utilize fish and wildlife resources.
- Ensure sustainability and harvestable surplus of fish and wildlife resources.
- Provide information on Alaska fish and wildlife resources to all customers.
- Involve the public in management of fish and wildlife resources.
- Protect the state's sovereignty to manage fish and wildlife resources.

End Result	Strategies to Achieve End Result
<p>A: Optimal public participation in fish and wildlife pursuits and optimal economic benefits from fish and wildlife resources.</p> <p><u>Target #1:</u> Maintain total annual value of commercial harvests and mariculture production at over \$1 billion annually.</p> <p><u>Status #1:</u> Over \$1.7 billion value of commercial harvests and mariculture production of fish, shellfish, and aquatic plants - continuing a strong five year upward trend.</p> <p><u>Target #2:</u> Increase sales of hunting and trapping licenses to the 3 -year average.</p> <p><u>Status #2:</u> In the most recent year available (2007), 135,470 hunting and trapping licenses were sold, a 0.2% decrease from 2006 and slightly below the 3-year running average (136,333).</p> <p><u>Target #3:</u> Provide 2.5 million angler days and sell 450,000 licenses.</p> <p><u>Status #3:</u> In 2007, 498,000 licenses were sold, which is 11% over the target of 450,000 and a 13% increase since 2003. Licensed and unlicensed (anyone under the age of 16 and Alaska residents 60 or older who hold an ADF&G Permanent Identification Card) anglers spent an estimated 2,544,000 days fishing, which is 2% over the target of 2,500,000, an 11% increase since 2006, and a 15% increase since 2003.</p> <p><u>Target #4:</u> 100% of resource developers meet agency requirements for protection of fish, wildlife, and their habitats.</p> <p><u>Status #4:</u> In FY08, 99.74% of all developers were in</p>	<p>A1: Ensure the conservation of natural stocks of fish, shellfish and aquatic plants based on scientifically sound assessments.</p> <p><u>Target #1:</u> Achieve reproductive goals in 80% of monitored systems.</p> <p><u>Status #1:</u> The annual percentage of salmon reproductive goals achieved in monitored systems has remained above the 80% target and has shown an annual increase since 2004.</p> <p>A2: Sustain fisheries on stocks of fish, shellfish and aquatic plants based upon the control and regulation of harvests through responsive management systems.</p> <p><u>Target #1:</u> Meet 80 percent of user group allocation objectives established by the Board of Fisheries by region, plus or minus 10 percent.</p> <p><u>Status #1:</u> In this difficult task, the allocation objectives continue to fall below the target. In 2007, 44 percent of user group allocation objectives were met.</p> <p>A3: Increase recreational fishing opportunities via supplemental hatchery production.</p> <p><u>Target #1:</u> Maintain the number actively stocked (currently being stocked according to the stocking plan, but not necessarily on an annual basis) lakes with hatchery fish at a level equal to or greater than the 1999-2003 average.</p> <p><u>Status #1:</u> There were 261 lakes actively stocked with hatchery fish in 2007, compared to the 295.6 lakes average in 1999-2003, so the target was not met.</p>

compliance with issued Fish Habitat permits, just short of the target.

A4: Collect scientifically sound information on wildlife populations in Alaska.

Target #1: Increase by 5% the collection of population, harvest, and other biological information on species of concern and/or key species about which little information exists.

Status #1: In FY08, 32 key species projects were continued and 5 were initiated for a total of 37, exceeding the target.

Target #2: Complete 90% of planned surveys on the population status and harvest of big game species, furbearers, migratory birds and marine mammals (not including any stopped by adverse weather conditions or nonavailability of suitable aircraft).

Status #2: During FY08, the division completed 84% of planned wildlife surveys (173 of 209) in which weather or aircraft availability was not a factor.

Target #3: Maintain the number of active research projects at 95% or more of the previous year's totals.

Status #3: The total number of FY08 projects conducted was 7% less than those conducted the prior year.

A5: Compile and analyze existing data; conduct research to gather information on the role of hunting and fishing by Alaskans for customary and traditional uses.

Target #1: Conduct a minimum of five studies of customary and traditional uses of fish and wildlife and harvests in at least three of the six regions each year.

Status #1: For 21 Alaska communities, FY 08 surveys obtained updated harvest information. Targets were exceeded in 2 of 6 regions, thus below the overall target.

Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> • Conduct surveys and inventories • Perform predator control • Manage hatcheries and mariculture • Manage and protect habitat • Conduct research • Administer permits and licenses • Perform pathology • Research genetics • Make allocation decisions • Issue regulating Emergency Orders (EOs) - opening/closing fisheries and hunts, etc. | <ul style="list-style-type: none"> • Monitor harvests • Operate Information centers • Maintain web site • Conduct community/school education programs • Develop underutilized fisheries • Involve the public • Account for total mortality • Perform enforcement • Provide management and administrative services for department • Protect Alaska's interest through participation in national and international fish and wildlife forums |
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FY2010 Resources Allocated to Achieve Results

FY2010 Department Budget: \$180,079,000

Personnel:

Full time 910

Part time 767

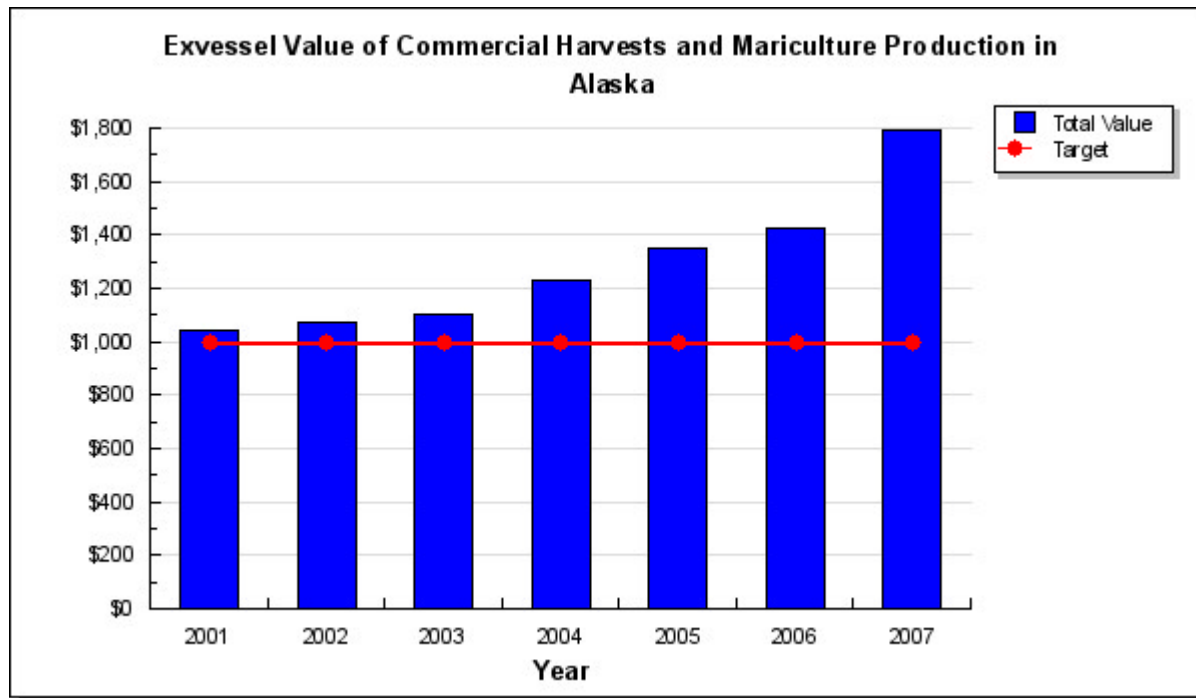
Total 1,677

Performance

A: Result - Optimal public participation in fish and wildlife pursuits and optimal economic benefits from fish and wildlife resources.

Target #1: Maintain total annual value of commercial harvests and mariculture production at over \$1 billion annually.

Status #1: Over \$1.7 billion value of commercial harvests and mariculture production of fish, shellfish, and aquatic plants - continuing a strong five year upward trend.



Methodology: Exvessel values are calculated using a combination of aggregated price point per species derived from the Commercial Operators Annual Report, fish ticket databases and annual fishery harvest summary reports.

Exvessel Value of Commercial Harvests and Mariculture Production in Alaska

Year	Total Value	Target
2007	\$1,789	\$1,000
2006	\$1,426	\$1,000
2005	\$1,353	\$1,000
2004	\$1,233	\$1,000
2003	\$1,100	\$1,000
2002	\$1,074	\$1,000
2001	\$1,040	\$1,000

Analysis of results and challenges: The Alaska Department of Fish and Game contributes to the success of the seafood industry through its scientific management of the various fisheries resources. Scientific management practices allow for the largest harvests that can be biologically sustained over time. ADF&G also plays a vital role by the adoption of regulations and fisheries management plans, in conjunction with the Alaska Board of Fisheries, fishermen, and processors, that provide orderly fisheries producing high quality products in a cost effective manner for utilization by the seafood industry.

The 2007 commercial salmon harvest was among the top five largest commercial salmon harvest ever and drove both exvessel and wholesale values up for the fifth consecutive year. Consistently high harvests are providing abundant and stable supplies of raw materials needed by the salmon industry as it works to regain market position relative to farmed salmon. Salmon populations in the AYK region are steadily recovering under the conservative management regime put in place by ADF&G.

Alaska's herring resources remain underutilized, because of limitations in market demand and low prices.

Pacific cod, pollock, and other groundfish species remain strong contributors to the value of Alaska's fisheries.

Tanner crab fisheries around Kodiak Island that had been closed for many years have rebuilt to the point that fisheries are now being conducted on these stocks. The size of the very valuable Bristol Bay red king crab stock has increased under conservative management and had an exvessel value of nearly \$92 million in 2007, an increase of \$10 million above the 2006 exvessel value.

Target #2: Increase sales of hunting and trapping licenses to the 3 -year average.

Status #2: In the most recent year available (2007), 135,470 hunting and trapping licenses were sold, a 0.2% decrease from 2006 and slightly below the 3-year running average (136,333).



Methodology: Data is at <http://www.admin.adfg.state.ak.us/admin/license/licstats.html>

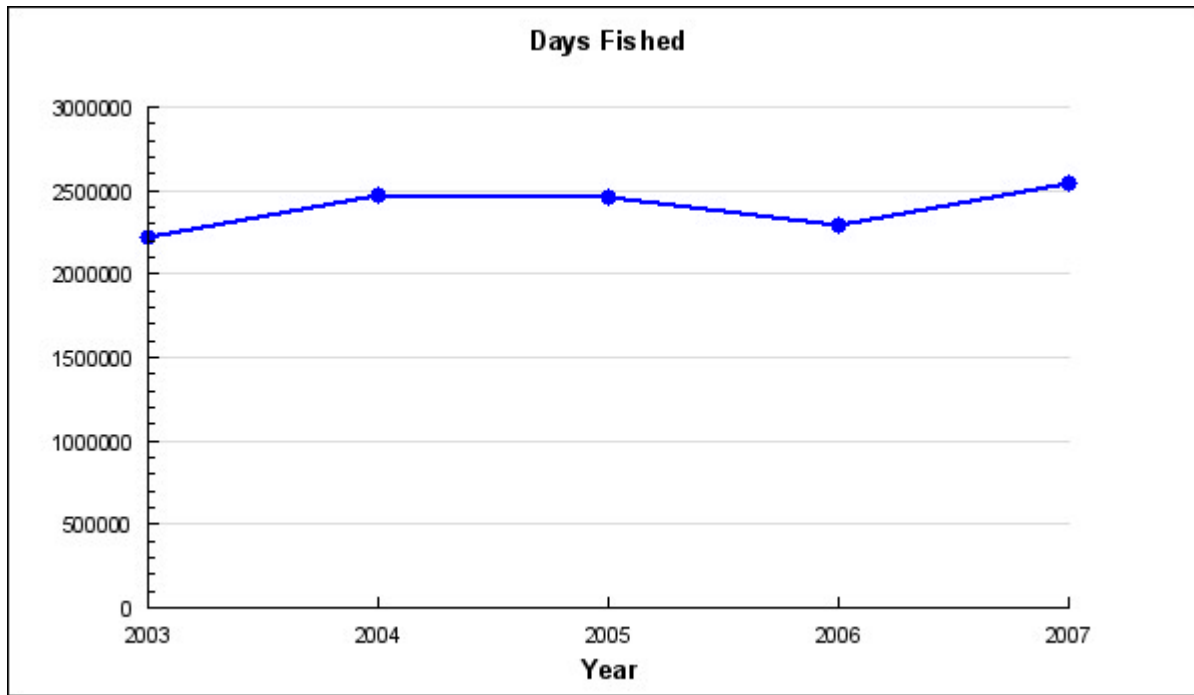
Hunting and Trapping License Sales

Year	License Sales	3- running average
2007	135,470	136,333
2006	135,782	136,030
2005	137,747	137,283
2004	134,562	135,718
2003	139,539	132,791

Analysis of results and challenges: In the most recent year available (2007), 135,470 hunting and trapping licenses were sold, a 0.2% decrease from 2006 and slightly below the 3-year running average (136,333). Over the past three calendar years, 2007 sales of sale of hunting and trapping licenses were the lowest. Since 2001, sales peaked in 2003 at 139,539. These totals include resident, nonresident and military hunting and trapping licenses. One incentive for hunters and trappers to buy licenses is confidence that game populations are abundant and that there are good opportunities to hunt and harvest game.

Target #3: Provide 2.5 million angler days and sell 450,000 licenses.

Status #3: In 2007, 498,000 licenses were sold, which is 11% over the target of 450,000 and a 13% increase since 2003. Licensed and unlicensed (anyone under the age of 16 and Alaska residents 60 or older who hold an ADF&G Permanent Identification Card) anglers spent an estimated 2,544,000 days fishing, which is 2% over the target of 2,500,000, an 11% increase since 2006, and a 15% increase since 2003.



Methodology: Number of licenses sold was obtained from the Licensing section of the Division of Administrative Services, Department of Fish and Game. Estimates of days fished are derived from the sport fish statewide harvest survey, which is mailed annually to a random sample of resident and non-resident licensed anglers.

Days Fished

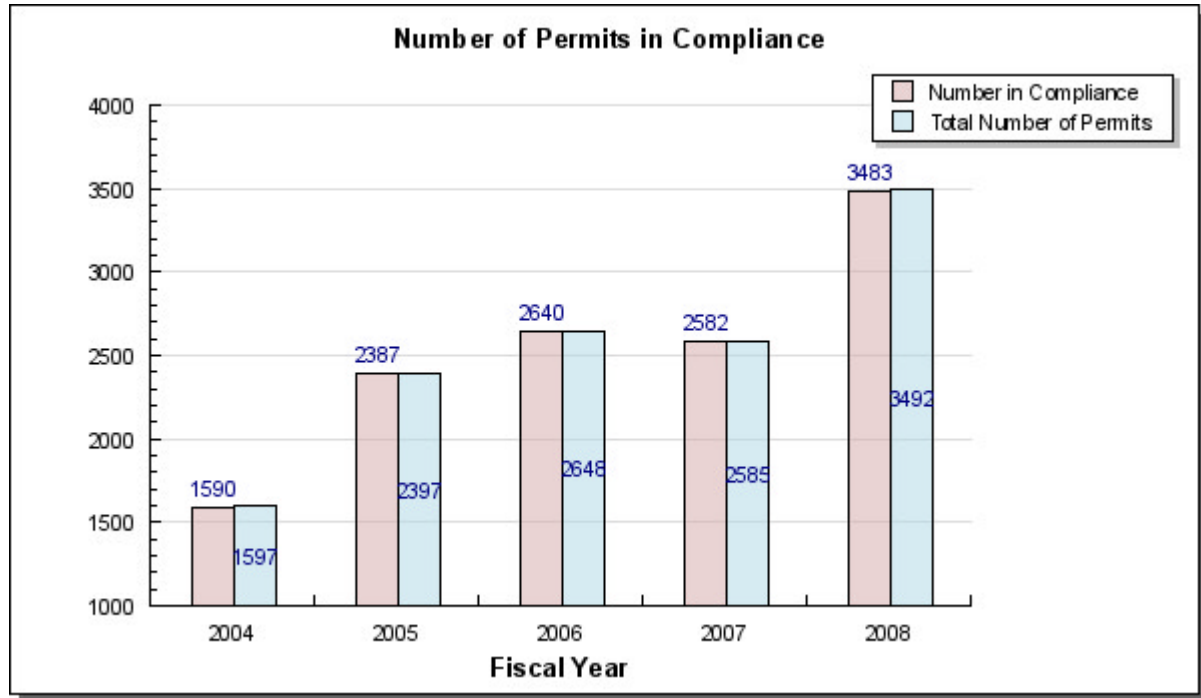
Year	Days Fished
2007	2,543,674
2006	2,297,961
2005	2,463,929
2004	2,473,961
2003	2,219,398

Analysis of results and challenges: Angler participation, as indexed by the number of licenses sold and number of

days fished, continues to exhibit a slightly increasing trend.

Target #4: 100% of resource developers meet agency requirements for protection of fish, wildlife, and their habitats.

Status #4: In FY08, 99.74% of all developers were in compliance with issued Fish Habitat permits, just short of the target.



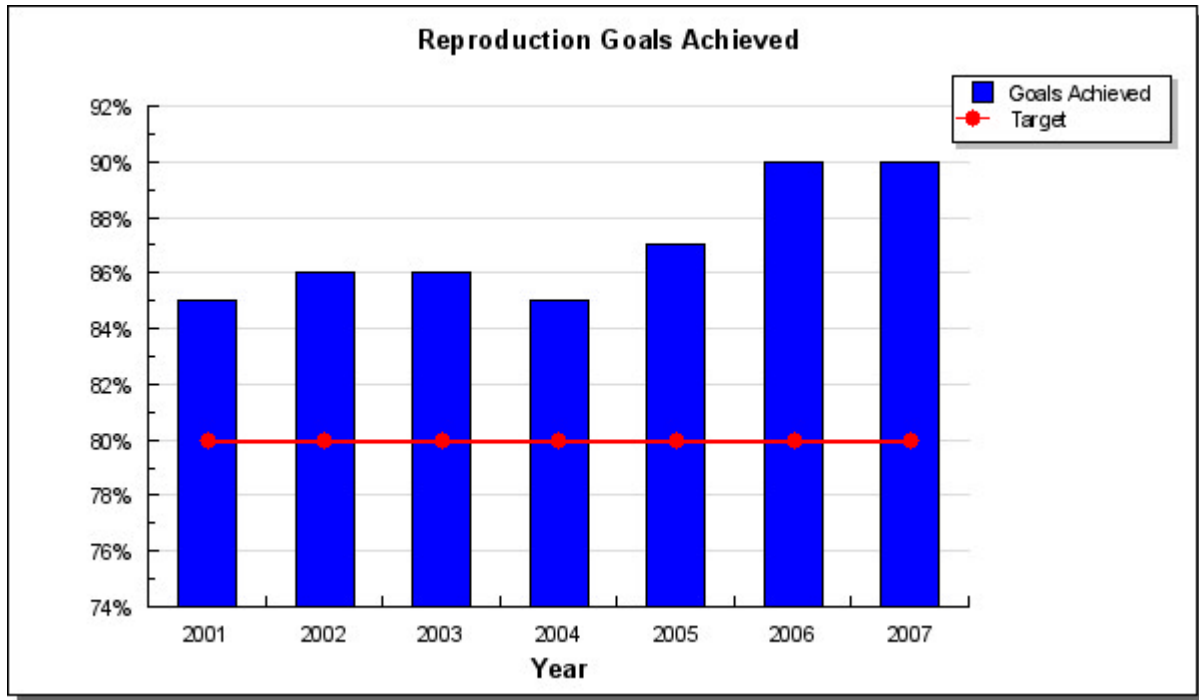
Methodology: Total numbers of permits in compliance compared to total number of permits.

Analysis of results and challenges: In FY 08, 99.74% of all developers were in compliance with Fish Habitat permits. The above percentage reflects projects where permits have been successfully issued and the developer is in compliance with their approved permit conditions. This percentage is an indication of our success in protecting fish, wildlife, and their habitats, while allowing approvable development activities to proceed. Further, the number of Fish Habitat permit applications has remained high, and increased substantially in FY 08. Trend-wise, this data indicates that Habitat continues to consistently achieve a high level of habitat protection simultaneous with increased permit activity. In FY09, Habitat moved back to ADF&G and resumed responsibility for issuance of Special Area Permits. Beginning in FY 09, this statistic will also reflect compliance with Special Area permits.

A1: Strategy - Ensure the conservation of natural stocks of fish, shellfish and aquatic plants based on scientifically sound assessments.

Target #1: Achieve reproductive goals in 80% of monitored systems.

Status #1: The annual percentage of salmon reproductive goals achieved in monitored systems has remained above the 80% target and has shown an annual increase since 2004.



Methodology: Regional tabulation of the monitored systems that are within or above the goal range.

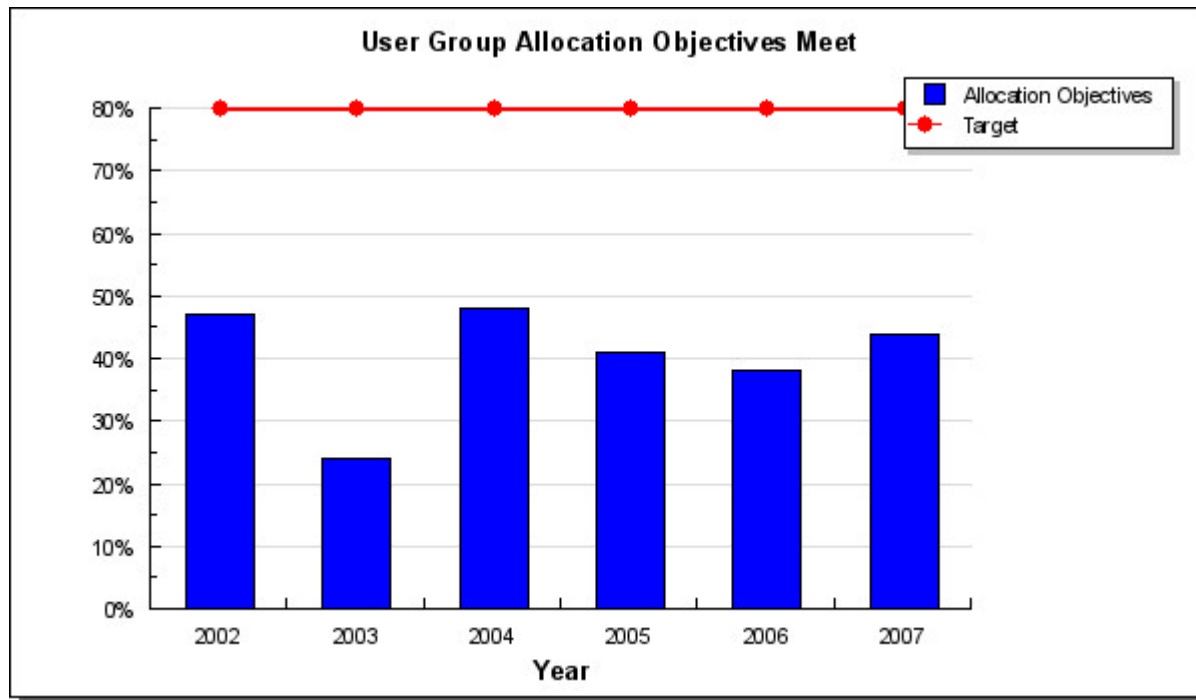
Analysis of results and challenges: Managing commercial, subsistence, and personal use harvests in ways that protect the reproductive potential of fish stocks is the most basic responsibility of the Division of Commercial Fisheries. The division's success in performing this function is the most direct indicator of program success, as well as the best indicator of continued healthy fish stocks. Success in achieving salmon escapement goals is probably the most common measure of success that salmon managers and research staff apply to their own performance.

The division annually deploys and operates numerous weirs, counting towers, and sonar sites to conduct escapement counts. Aerial and foot surveys are also used extensively in the absence of other means of counting escapement.

A2: Strategy - Sustain fisheries on stocks of fish, shellfish and aquatic plants based upon the control and regulation of harvests through responsive management systems.

Target #1: Meet 80 percent of user group allocation objectives established by the Board of Fisheries by region, plus or minus 10 percent.

Status #1: In this difficult task, the allocation objectives continue to fall below the target. In 2007, 44 percent of user group allocation objectives were met.



Methodology: Regional tabulation of fisheries actively managed that are within 10% of allocation goal.

Analysis of results and challenges: In particularly contentious fisheries allocation issues, the Alaska Board of Fisheries may make direct allocations of specific stocks to particular user groups. The Division of Commercial Fisheries is then charged with managing commercial, subsistence, and personal use fisheries to achieve these targets. This is often one of the most challenging tasks that the division faces. Frequently, the division is faced with limited and fragmentary information and must make decisions on a daily basis to open or close fisheries. Despite these difficulties, the division generally comes relatively close to the allocation targets established.

The current measure requires a high precision for success, within 10 percent above or below the target. The division achieves this measure of success in less than 50 percent of the fisheries subject to these allocations. However, in most instances where the actual harvest falls outside of the targeted range, the variance is relatively small; often only a few percentage points.

This strategy is functional because it demonstrates the inherent challenge of achieving allocation targets.

A3: Strategy - Increase recreational fishing opportunities via supplemental hatchery production.

Target #1: Maintain the number actively stocked (currently being stocked according to the stocking plan, but not necessarily on an annual basis) lakes with hatchery fish at a level equal to or greater than the 1999-2003 average.

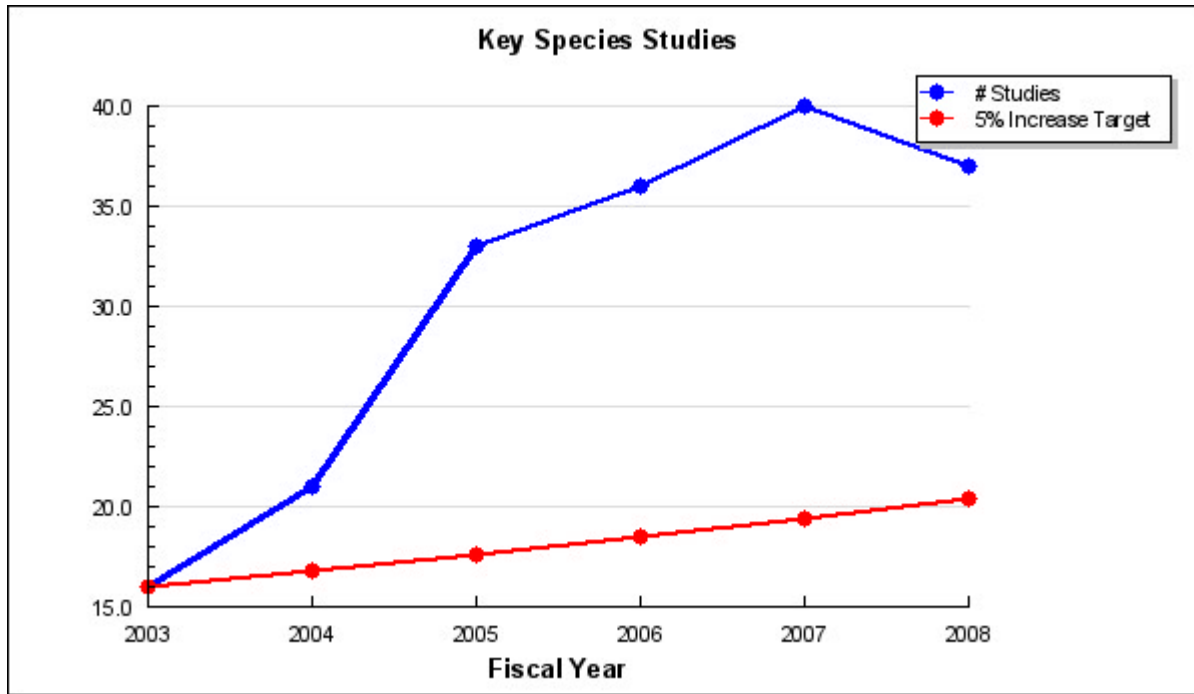
Status #1: There were 261 lakes actively stocked with hatchery fish in 2007, compared to the 295.6 lakes average in 1999-2003, so the target was not met.

Analysis of results and challenges: In 2007, there were 1, 140, and 120 actively stocked lakes in Regions 1, 2, and 3, respectively. Loss of rearing capacity and disease concerns at state hatchery facilities resulted in lower production, thus not allowing the division to meet its stocking target. Completion of a new hatchery facility in Fairbanks in 2010 and construction of the Anchorage hatchery facility in 2011 will result in higher production of hatchery fish for stocking lakes.

A4: Strategy - Collect scientifically sound information on wildlife populations in Alaska.

Target #1: Increase by 5% the collection of population, harvest, and other biological information on species of concern and/or key species about which little information exists.

Status #1: In FY08, 32 key species projects were continued and 5 were initiated for a total of 37, exceeding the target.



Methodology: The numbers of studies on key species are simply tallied for the state fiscal year. The target is a 5% increase in the number of studies from the previous fiscal year. Some projects study families of species, such as raptors, owls, bats, etc. so the number is conservative. Source: DWC Federal Assistance Coordinator who receives all State Wildlife Grant proposals and performance reports.

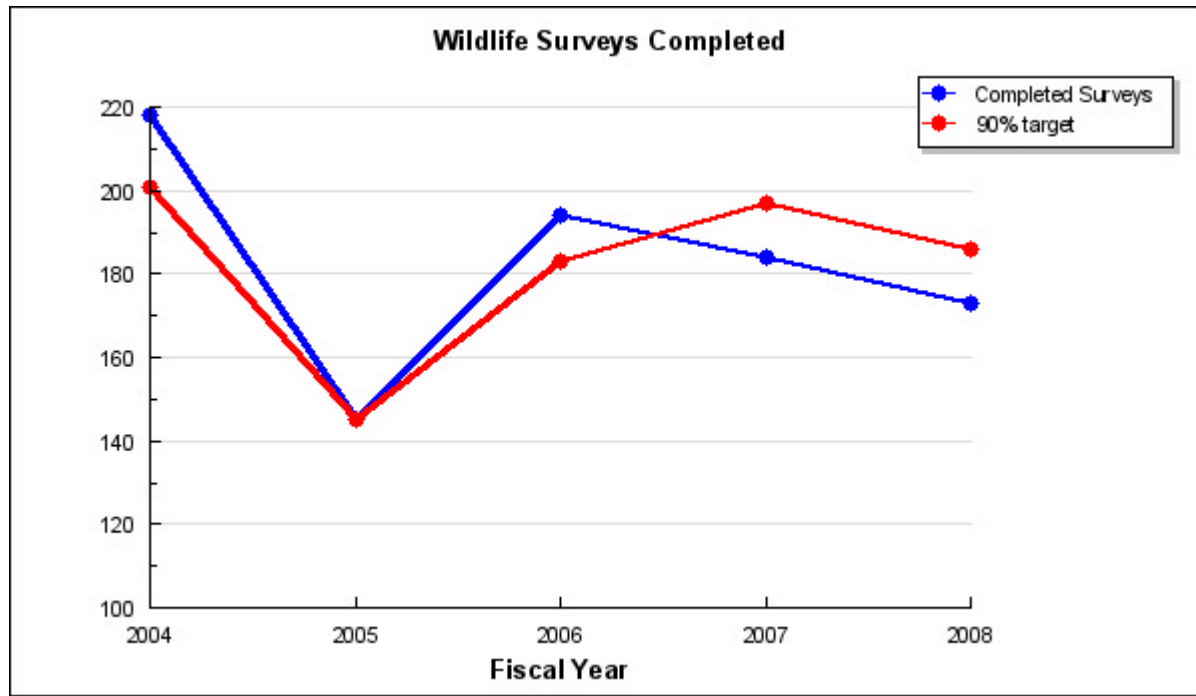
Key Species Studies

Fiscal Year	# Studies	5% Increase Target
FY 2008	37	20.4
FY 2007	40	19.4
FY 2006	36	18.5
FY 2005	33	17.6
FY 2004	21	16.8
FY 2003	16	16.0

Analysis of results and challenges: In FY08, 32 key species projects were continued and 5 were initiated for a total of 37. This represents a slight decrease over FY07's 40 projects, partly due to the availability of federal State Wildlife Grant funds. However, several of the FY08 projects are for surveys of multiple key species. These projects include surveys of raptors on Minto Flats State Game Refuge and in western and northwestern Alaska, and landbirds and mammals on state managed lands. Thus, the number of FY08 projects indicated is much less than the actual number of key species that are being surveyed.

Target #2: Complete 90% of planned surveys on the population status and harvest of big game species, furbearers, migratory birds and marine mammals (not including any stopped by adverse weather conditions or nonavailability of suitable aircraft).

Status #2: During FY08, the division completed 84% of planned wildlife surveys (173 of 209) in which weather or aircraft availability was not a factor.

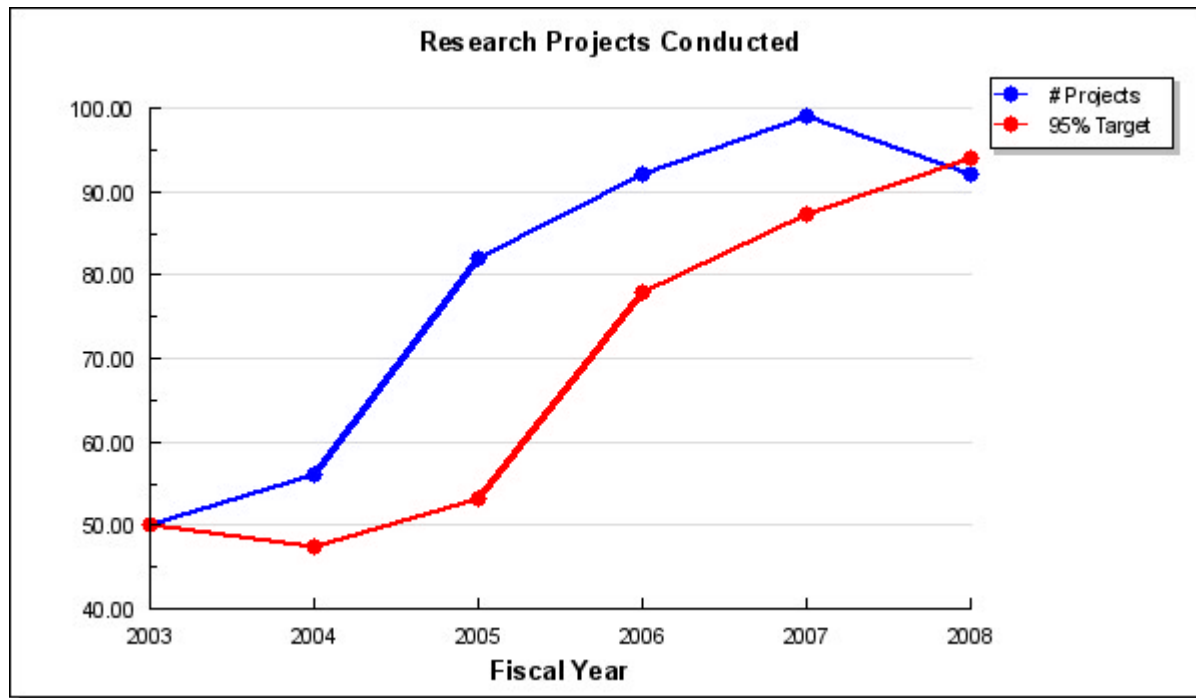


Methodology: Source: regional management coordinators and Federal Assistance project statements and performance reports. Proposed surveys are tallied; 90% of the total proposed is the target. Completed surveys are tallied.

Analysis of results and challenges: During FY08, the division completed 84% of planned wildlife surveys (173 of 209) in which weather or aircraft availability was not a factor. A number of planned surveys (not included in the 209 count) were cancelled because of survey conditions, such as lack of snow on the ground or adverse weather. Budget constraints and/or personnel vacancies were the main reasons why we failed to complete some surveys. Cost increases have exceeded increases in available funds, both for personnel and for aviation fuel, which has increased the costs of charter flights and operating department aircraft.

Target #3: Maintain the number of active research projects at 95% or more of the previous year's totals.

Status #3: The total number of FY08 projects conducted was 7% less than those conducted the prior year.



Methodology: Source: Federal Assistance (WR, SWG and ESA-sec. 6) performance reports and research management coordinators that provide information on non-Federal Assistance projects. Studies during the FY are tallied. 95% target is based on the previous FY number of studies.

Game studies: http://www.wildlife.alaska.gov/index.cfm?adfg=management.research_projects

Nongame studies: http://www.wildlife.alaska.gov/index.cfm?adfg=pubs.fa_research

Research Projects Conducted

Fiscal Year	# Projects	95% Target
FY 2008	92	94.05
FY 2007	99	87.4
FY 2006	92	77.9
FY 2005	82	53.2
FY 2004	56	47.5
FY 2003	50	50

Analysis of results and challenges: During FY08, 42 big game research projects, 21 marine mammal program research projects, 5 waterfowl/game bird, and 24 nongame research projects were conducted, for a total of 92 division research projects. 15 additional nongame research projects were conducted by partners with the division using State Wildlife Grant (SWG) funds. In the previous year (FY07), the Division of Wildlife Conservation (DWC) conducted 62 big game research projects, 20 marine mammal program research projects, 2 waterfowl/game bird, and 15 nongame research projects for a total of 99 division research projects, and collaborated on 20 additional nongame partner projects. The total number of FY08 projects conducted was 7% less than those conducted the prior year, as a result of 3:1 SWG match projects terminating and new 1:1 match requirements making it more difficult to initiate projects.

A5: Strategy - Compile and analyze existing data; conduct research to gather information on the role of hunting and fishing by Alaskans for customary and traditional uses.

Target #1: Conduct a minimum of five studies of customary and traditional uses of fish and wildlife and harvests in at least three of the six regions each year.

Status #1: For 21 Alaska communities, FY 08 surveys obtained updated harvest information. Targets were exceeded in 2 of 6 regions, thus below the overall target.

Division of Subsistence Community Survey Projects, by Region, 2004-2008

Fiscal Year	Southeast	Southcentral	Southwest	Interior	Western, Arctic	Total
FY 2008	0	1	7	1	12	21
FY 2007	3	3	7	8	10	31
FY 2006	3	5	5	9	16	38
FY 2005	0	0	7	9	14	30
FY 2004	1	0	11	0	14	26

Methodology: Comprehensive community surveys, by region, conducted each year by the division.

Analysis of results and challenges: The division conducts field studies and gathers harvest survey information in communities almost entirely with special project funding. The funding is generally obtained through a competitive proposal process to address questions related to customary and traditional uses of specific fisheries and wildlife resources. Systematic regionwide surveys can occur only when relatively larger funding support is available, a rare occurrence in the past 10 years. The data table shows information has been incomplete for several regions over a 5-year period, with improvement in fiscal years 2006 and 2007. The target is to have scientific information collected and analyzed in each region at a consistent level each year; and develop a balance across regions, recognizing geographic differences. The target was achieved in each of the past 4 fiscal years.

Key Department Challenges

The department continues to lose experienced biologists, scientists, and biometricians to federal agencies and other employers, as well as due to retirements. Replacing these specialized and experienced staff has proven difficult because the department cannot offer competitive salaries and benefit packages. Insufficient applicants from within the state are requiring supervisors to recruit from out of state for almost all positions and even then many recruitments attract an insufficient applicant pool. The department is addressing this problem in part through a multi-faceted workforce development effort but lacks sufficient resources to adequately address the problem.

The multi-year federal grant that had been supporting Bering Sea crab research for several years was discontinued in the federal FY08 budget. State funds were required to maintain existing Bering Sea/Aleutian Islands crab research programs in state FY09. The 2008 Alaska Legislature provided one-time funding in the FY09 budget for this purpose. In order to continue to conduct research on the crab stocks that support this valuable fishery, the department is requesting General Funds for FY10, but at a reduced amount. The department is working on new methodologies for stock assessments of Bering Sea snow crab, a stock that until recently provided the largest crab harvests in Alaska. The department is also attempting to improve stock assessment of king crab. Improved stock assessments will allow the department to maximize harvests, which is especially important to industry during periods of low stock productivity.

Staffing and field research toward Steller sea lions, harbor seals, and ice seals totaled approximately \$2.5 million during FY08 and was funded exclusively from grant agreements from the federal Department of Commerce/National Oceanic and Atmospheric Administration (NOAA). The research work was formerly shown in the NOAA budget as earmarks but funding levels from Congress to NOAA were reduced beginning with impacts for state FY09. The department was notified in January 2008 that federal funding for activities in FY09 would reduce by \$1.18 million. The 2008 Legislature approved restoring funding for FY09 with general funds as a one-time item. The Division of Wildlife Conservation does not expect sufficient federal funds will be available for FY10 and continues to require general funds to retain and maintain the division's marine mammal research capabilities. A partial restoration of the one-time item is requested.

The North Pacific Fishery Management Council (NPFMC) has a number of initiatives underway that affect state managed fisheries. These include proposals for sector allocation and restricted entry into the groundfish fisheries in the Gulf of Alaska. State managers and researchers must work with the NPFMC to avoid deleterious impacts to state fisheries and coastal communities as federal rationalization occurs. The first three seasons under the Bering Sea/Aleutian Island (BSAI) crab rationalization program saw reduced vessel participation and fewer crew member jobs. A number of communities have expressed concern about the effects of crab rationalization.

Halibut fishing is an extremely important recreational pursuit in Alaska. Recent growth in this fishery, notably within the charter portion, has promoted discussion to develop a long-term management plan for this fishery. The NPFMC has primary management jurisdiction over this fishery. The NPFMC has adopted a limited entry program for halibut charter operators in International Pacific Halibut Commission (IPHC) Areas 2C and 3A. In addition, the NPFMC is expediting an interim management plan for this fishery while long term options are designated and considered.

Many Alaskans have voiced concern that the sport fish guide industry, in certain areas, has developed to undesirable levels, resulting in allocation conflicts and management concerns. In response to those concerns, a task force of sport fish industry representatives was convened to define a program that would promote the economic health and stability of the sport fish guide industry in Alaska. The task force recommended the creation of a Sport Fish Guide Services Board (similar to the Big Game Commercial Services Board) as an appropriate first step in regulating sport fishing guide activities in overcrowded areas of the State. This approach was chosen over creating a limited entry system similar to commercial fisheries which might have required a voter-approved amendment to the Alaska Constitution.

In order to minimize disruption to state residents; to protect state fish resources; and minimize federal intrusion into state management, significant staff time is spent interacting with the federal system of Regional Advisory Councils, which represent federal subsistence users, and the suite of federal agencies that comprise the Federal Subsistence Board. The department continues to explore ways to ensure that federal decisions do not adversely impact conservation of the resources or unnecessarily restrict non-federally qualified users.

The listing of species as threatened or endangered under the federal Endangered Species Act (ESA) can have adverse economic impacts on Alaska. Departmental programs have been designed to provide for population recovery of listed species as well as preventing the need for additional listings. The Division of Wildlife Conservation will continue to collect information on several species in an effort to ensure that species are not unnecessarily listed under the federal act.

The Board of Game continues to implement the state's intensive management law that addresses predator management. Board actions on this topic result in a high level of public interest and are regularly subject to court challenge by groups that oppose active state predator management. The board and staff spend considerable time on responding to inquiries and information requests on predator management. The board also is asked to respond to requests for predator control programs in additional areas of the state. Successful implementation of the intensive management law requires substantial survey and inventory work on both predator and prey species, in order to provide a sound scientific basis for the program.

Multiple large scale projects associated with oil and gas, coal, minerals (e.g., zinc, copper, gold, silver, uranium), and hydrokinetics are in various stages of exploration, feasibility analyses, impact assessment, permitting, operations, and closure. These large projects will require a substantial involvement by the Division of Habitat to ensure the proper protection of fish and wildlife resources and their habitats. Additional funding will be needed to allow key staff participation in both project reviews and in training of new staff to handle different aspects of these developments.

Significant Changes in Results to be Delivered in FY2010

Commercial Fisheries

The division has requested an increment in the AYK Region Fisheries Management Component and a decrement of federal receipts authorization in the Special Projects Component to support continuation of two subsistence projects, a video monitoring project and a cooperative salmon drift test fishing project.

Sport Fish

The division continues to improve its approach to projecting license and federal revenues in order to better prepare

annual budget requests and project planning. The division will also continue to go through a comprehensive review of its budget to identify redundancies, inefficiencies, and costs that cannot be directly linked to the division's mission and strategic plan. This will eventually result in the identification of specific cost saving measures and program-specific recommendations that will be incorporated into future budgets. This action combined with the implementation of a program focused on increasing license revenues will hopefully offset the anticipated costs associated with operating the two new hatchery facilities.

Exxon Valdez Oil Spill Trustees Council

FY 10 is anticipated to be a year of defining the long-term direction for the priorities of the *Exxon Valdez* Oil Spill Trustee Council restoration program. In FY 10 the Council will be delivering a comprehensive update of the Injured Resources and Services list, implementing the Integrated Herring Restoration Program, and executing the FY 10 Work Plan.

Major Department Accomplishments in 2008

In an effort to better identify workforce issues and proactively address concerns, the department held four internal scoping meetings across the state during the fall of 2007. In addition, ADF&G employees were asked to participate in an agency recruitment and retention survey. The goal of the survey was to quantify the ideas and concerns expressed during the scoping meetings. A recently released report summarized the workforce concerns expressed by employees of ADF&G and provides a baseline for workforce development programs for the agency. Work-related concerns and issues impacting employees within ADF&G were categorized and summarized as recommendations for further consideration and action by the commissioner and his leadership team.

The preliminary estimate of the 2008 Alaska commercial salmon harvest is 146 million salmon. The value of the 2008 salmon harvest is \$409.3 million, marking the second consecutive year since 1995 that the total value has exceeded \$400 million.

The Alaskan salmon management program passed its 2008 annual performance audit by the Marine Stewardship Council. This is the first annual audit completed since the second five year certification was awarded in 2007 to the Alaskan salmon management program.

Bering Sea crab harvest management reached a milestone this year with completion of a 4 year project to develop new quota setting rules. The new methods are required under federal law (Magnuson Stevens Fishery Conservation and Management Act) for the Bering Sea and Aleutian Islands crab fisheries, for which management responsibility has been delegated to the state. The major change was to take into consideration the number of crabs that die once discarded. This is a substantial source of mortality, especially in the Bering Sea snow crab and Tanner crab fisheries. Incorporation of these losses into the quota setting process is a precautionary measure that significantly enhances the scientific credibility of our crab management programs and helps to ensure the long-term economic viability of the fisheries.

The department continues to build its genetic database of Alaskan sockeye, chum, and Chinook salmon stocks. As this stock identification tool has been developed, it has been used in more and more fisheries. Inseason analysis of genetics samples from the test fishery at Port Moller has aided management of Bristol Bay sockeye salmon. Post season genetic analysis of catches will also greatly assist the Division of Commercial Fisheries and the Board of Fisheries in managing complex and controversial salmon fisheries such as those in Upper Cook Inlet and Southeast Alaska.

The department recently ramped up its access defense program in response to new federal initiatives to expedite Alaska Native Claims Settlement Act (ANCSA) land conveyances. In 2008, 1,728 ANCSA conveyances, native allotment conveyances, municipal conveyances, subdivision plats, and section line easements were received for review by ADF&G. Reviews were conducted to ensure fish and wildlife resources, their uses, and public access to fish and wildlife resources is maintained. Of the documents received, 1,717 (99%) were reviewed within time frames specified within each review process.

The Sport Fish Division worked cooperatively with the Sport Fish Guide Services Task Force to develop draft language authorizing the establishment of a Sport Fish Guide Services Board that would establish guide use areas and to pursue limitations on use within areas where there is a demonstrated need to do so. This program would

categorize and professionally license the industry as guides, outfitters or transporters and would provide an opportunity to gather additional information on levels of participation and numbers of fish being harvested within each of these groups. Comments on the draft language are being solicited at public meetings across Alaska and through the division's website.

The department has maintained its aggressive approach in challenging the unnecessary expansion of the federal subsistence program in Alaska. ADF&G continues to encourage the Federal Subsistence Board (FSB) to: 1) develop written policies and procedures; 2) follow federal regulations and court direction; and 3) make decisions based upon applicable scientific data.

Five boating access Capital Improvement Projects were completed in 2008: Heritage Harbor Boat Launch (Wrangell), Situk River Lower Landing Land Acquisition (Yakutat), Salmon River Boat Launch Rehabilitation (Gustavus), Susitna Landing Boat launch Riparian Improvements (Kashwitna/Willow) and Anton Larsen Bay Boat launch (Kodiak).

The Division of Wildlife Conservation conducted wildlife survey and inventory management projects for 11 big game species (black and brown bears, bison, caribou, Dall sheep, deer, elk, moose, mountain goat, muskox, and wolf) as well as furbearers and migratory birds across 26 game management units and sub-units. Five intensive management programs were continued in an effort to increase ungulate species for human consumption by controlling predators in 6 game management units: 12, 13, 16B, 19A, 19D, and 20E.

The department developed an information program on Intensive Management, including the development and public distribution of pamphlets, written reports, and PowerPoint presentations. The Board of Game has had a role in identifying opportunities for speaking engagements with public groups and will continue doing so.

The Division of Habitat was successfully transferred back to the department. The division continued to work on Large Mine Projects, including Fort Knox biomonitoring, reclamation monitoring, and heap leach operations; Donlin Creek baseline studies and permitting; Kensington permitting and construction oversight; Galore Creek project review; Pebble Gold Copper field inspections and baseline studies review; Red Dog Aqqaluk Development review, road dust aquatic biomonitoring, and field inspection and monitoring; Greens Creek aquatic biomonitoring, permitting, and operations; and Rock Creek monitoring.

In its ninth year of operation, the department sold over 76,000 fish and game licenses, stamps and tags during calendar year 2008 over the Internet generating revenue of approximately \$4.3 million. This represents an increase of 10% of number of items sold over the previous year's internet sales. Registering for big game drawing permit hunt applications was also available over the Internet with over 86,000 applications registering for hunts during fiscal year 2008. This represents 81% of the total applications received.

The Board of Fisheries continued to implement the statewide Sustainable Salmon Fisheries Policy through evaluation of proposals in the Kodiak and Cook Inlet areas. This significant policy aims to evaluate and rebuild the state's salmon stocks, and continues to shape overall salmon fisheries management.

Commercial Fisheries Entry Commission completed a three year phase in of the new fee structure authorized by the legislature in 2005. The Commission now realizes self sustaining revenue and is able to provide funds to the Alaska Fishermen's Fund and the Division of Commercial Fisheries.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

Generally, highest priority programs are constitutionally based; second priority level programs are based in statute; remaining programs are third priority programs. All programs play a key role in the department fulfilling its mission and carrying out core services:

- Provide opportunity to utilize fish and wildlife resources;
- Ensure sustainability and harvestable surplus of fish and wildlife resources;
- Provide information on Alaska fish and wildlife resources to all customers;

- Involve the public in management of fish and wildlife resources; and
- Protect the state's sovereignty to manage fish and wildlife resources.

Beyond this, consideration is given to availability of state general funds for programs, and funding restrictions on federal, fish and game funds, test fish receipts, and other funding sources the department utilizes.

Department Programs Prioritized Within Each Division

COMMERCIAL FISHERIES

- 1) Stock Assessment and Applied Research
- 2) Harvest Management
- 3) Laboratory Services
- 4) Aquaculture Permitting
- 5) Data Processing
- 6) Education and Information Services

SPORT FISH

- 1) Fisheries Management
- 2) Fisheries Research
- 3) Fisheries Enhancement
- 4) Angler Access
- 5) Information and Education Services
- 6) Fish Habitat
- 7) Workforce Support

WILDLIFE CONSERVATION

- 1) Wildlife Population Inventories
- 2) Harvest Management
- 3) Participation in Regulatory Process
- 4) Species-Specific Research to Address Management Problems
- 5) Implementation of Intensive Management Programs Where Necessary
- 6) Education and Information Services

SUBSISTENCE

- 1) Collect Information on Subsistence Harvest
- 2) Conduct Research on Subsistence Harvest and Patterns of Use
- 3) Determination of Customary and Traditional Uses
- 4) Participation in Regulatory Process
- 5) Education and Information Services

HABITAT

- 1) Review and issue permits for activities in anadromous waterbodies, fish-bearing waters, and legislatively designated Special Areas; monitor authorized projects.
- 2) Maintain and revise the Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes.
- 3) Manage Alaska's Special Areas; prepare and update management plans.
- 4) Implement Forest Resources and Practices Act responsibilities (e.g., review proposed timber harvest activities; conduct field inspections).
- 5) Review other development projects, both in and outside the coastal zone (e.g., oil and gas, hard-rock mines, transportation projects).
- 6) Conduct research on ways to minimize impacts of development activities on fish and wildlife resources.

ADMINISTRATION AND SUPPORT

- 1) Management of Department Programs by Commissioner's Office
- 2) Regulatory Process Through Boards and Advisory Committees
- 3) Administrative Services in Support of Department Programs
- 4) Facilities Management

COMMERCIAL FISHERIES LIMITED ENTRY COMMISSION

- 1) Limit Entry into Commercial Fisheries for Resource Conservation and Economic Viability
- 2) Administer Limited Entry Permit and Vessel Licensing System
- 3) Adjudication of Claims Related to Limited Entry Program
- 4) Participation in Board of Fisheries Process
- 5) Education and Information Services

Contact Information	
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Department Budget Summary by RDU

All dollars shown in thousands

	FY2008 Actuals				FY2009 Management Plan				FY2010 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Commercial Fisheries	28,662.7	11,904.1	11,983.5	52,550.3	35,725.0	9,022.9	15,522.0	60,269.9	36,040.6	8,749.1	15,699.1	60,488.8
Sport Fisheries	2,492.6	19,264.0	18,310.7	40,067.3	3,804.9	23,125.1	22,254.0	49,184.0	3,742.4	22,843.0	21,066.6	47,652.0
Wildlife	4,041.6	15,728.3	9,061.3	28,831.2	6,859.2	18,473.0	11,353.5	36,685.7	6,655.5	18,695.7	11,383.0	36,734.2
Conservation												
Administration and Support	7,631.8	2,371.3	11,883.2	21,886.3	8,796.8	4,214.9	12,895.8	25,907.5	8,840.6	4,205.2	13,078.7	26,124.5
Habitat	0.0	0.0	0.0	0.0	2,919.9	0.0	1,174.9	4,094.8	3,447.3	5.1	1,672.4	5,124.8
Commercial Fisheries Entry Com	0.0	0.0	3,527.1	3,527.1	0.0	114.4	3,788.2	3,902.6	0.0	114.4	3,840.3	3,954.7
Totals	42,828.7	49,267.7	54,765.8	146,862.2	58,105.8	54,950.3	66,988.4	180,044.5	58,726.4	54,612.5	66,740.1	180,079.0

Funding Source Summary

All dollars in thousands

Funding Sources	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
1002 Federal Receipts	49,267.7	54,950.3	54,612.5
1003 General Fund Match	410.8	418.2	422.6
1004 General Fund Receipts	42,401.7	57,669.7	58,285.9
1005 General Fund/Program Receipts	16.2	17.9	17.9
1007 Inter-Agency Receipts	9,857.9	13,091.7	12,189.4
1018 Exxon Valdez Oil Spill Settlement	2,449.6	4,609.0	4,672.1
1024 Fish and Game Fund	23,622.2	24,469.1	24,393.8
1036 Commercial Fishing Loan Fund	1,326.3	1,326.3	1,326.3
1055 Inter-agency/Oil & Hazardous Waste	44.9	66.5	113.5
1061 Capital Improvement Project Receipts	4,229.2	4,958.8	5,779.9
1108 Statutory Designated Program Receipts	4,823.8	7,884.4	7,607.0
1109 Test Fisheries Receipts	1,457.0	2,514.3	2,524.4
1156 Receipt Supported Services	417.3	505.1	505.7
1194 Fish and Game Nondedicated Receipts	1,103.4	1,673.8	1,682.0
1199 Alaska Sport Fishing Enterprise Account	500.0	500.0	500.0
1201 Commercial Fisheries Entry Commission Receipts	4,934.2	5,389.4	5,446.0
Totals	146,862.2	180,044.5	180,079.0

Position Summary

Funding Sources	FY2009 Management Plan	FY2010 Governor
Permanent Full Time	917	910
Permanent Part Time	764	767
Non Permanent	62	62
Totals	1,743	1,739

FY2010 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Statewide Annual Deferred Maintenance, Repair, Upgrades, and Equipment	1,100,000	0	0	1,100,000
Data and Infrastructure Backup	275,000	0	0	275,000
Application Development Software	350,000	0	0	350,000
Wildlife Conservation Response Team	750,000	0	0	750,000
Wood Bison Stocking and Release	250,000	0	0	250,000
Hazardous Site Cleanups	750,000	0	0	750,000
Assessment of Pacific Salmon Resources in AYK, Northern Region	250,000	0	0	250,000
Collection and Genetic Analysis of Chum and Sockeye Salmon Tissues in Western Alaska	1,500,000	0	0	1,500,000
Sport Fish Recreational Boating Access	0	2,325,000	775,000	3,100,000
Pacific Coastal Salmon Recovery Fund	0	22,000,000	0	22,000,000
Cooperative Resource Program	0	0	455,000	455,000
Permit Card Equipment for eLandings Program	0	0	138,000	138,000
Department Total	5,225,000	24,325,000	1,368,000	30,918,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2009 Management Plan to FY2010 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	58,105.8	54,950.3	66,988.4	180,044.5
Adjustments which will continue current level of service:				
-Commercial Fisheries	-558.1	-193.8	-122.9	-874.8
-Sport Fisheries	-62.5	-5.1	-343.4	-411.0
-Wildlife Conservation	-1,133.7	222.7	29.5	-881.5
-Administration and Support	43.8	200.3	161.9	406.0
-Habitat	527.4	5.1	350.5	883.0
-Commercial Fisheries Entry Com	0.0	0.0	52.1	52.1
Proposed budget decreases:				
-Commercial Fisheries	0.0	-80.0	-300.0	-380.0
-Sport Fisheries	0.0	-277.0	-844.0	-1,121.0
-Administration and Support	0.0	-210.0	0.0	-210.0
Proposed budget increases:				
-Commercial Fisheries	873.7	0.0	600.0	1,473.7
-Wildlife Conservation	930.0	0.0	0.0	930.0
-Administration and Support	0.0	0.0	21.0	21.0
-Habitat	0.0	0.0	147.0	147.0
FY2010 Governor	58,726.4	54,612.5	66,740.1	180,079.0